

Mount Polley Mining Corporation

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Via Email: Douglas Hill, P.Eng. BC Ministry of Environment Regional Operations Director – Mining Environmental Protection

RE: Pollution Abatement Order 107461

MAY 2017 UPDATE REPORT

Mount Polley received an amendment to Pollution Abatement Order (PAO) 107461 from the Ministry of Environment (MoE) on November 30, 2016 requiring the submission of an update report on a monthly basis, rather than weekly, that focusses on the requirements of the PAO. The reporting frequency was amended to reflect the stability of conditions and monitoring results. The information and content that is provided in this report has also been updated, focussing solely on the PAO.

For previous information see the April 2017 Update Report, available on the Imperial Metals website:

https://www.imperialmetals.com/assets/docs/mt-polley/may-4-Technical-Memo.pdf

Rehabilitation Work

Hazeltine Creek Rehabilitation

Mount Polley has contracted Golder Associates to assist with an amphibian exclusion and salvage program in anticipation of rehabilitation work planned for upper Hazeltine Creek. A permit application for the salvage was approved by Forest, Lands, and Natural Resource Operations. This area was monitored every other day for amphibian activity. Any amphibians located are documented and are moved (following the proper handling protocols) to a release site. This program will reduce the opportunity for successful breeding within the exclusion area, which will allow for the commencement of the rehabilitation work in early June.

Mount Polley carried out a willow collection program in March and planting occurred in the Upper Hazeltine areas in May. This included the staking of willow whips and the burying of willow waddles. In addition, a native seed blend has been applied to the Upper Hazeltine areas.

Native shrubs (Twinberry, Rose, and Alder) were planted in lower Hazeltine in May with planting continuing into June.

Road access along the Gavin Lake road and into Reach 3 of Hazeltine was improved in May in anticipation of the construction of fish habitat features.

Deliverables Status Update

The final Human Health Risk Assessment was submitted to MoE on May 29, 2017. The draft Ecological Risk Assessment (ERA) is due for submission on June 30, 2017 and the final ERA is due for submission on September 1, 2017.

Environmental Monitoring Program

All monitoring conducted in the creek is outlined in the Comprehensive Environmental Monitoring Plan (CEMP) approved under *EMA* Permit 11678.